

## Message Text

SECRET

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ORIGIN EA-14

INFO OCT-01 ISO-00 PM-07 L-03 DODE-00 NSC-10 SPC-03 SS-20

RSC-01 CIAE-00 INR-10 NSAE-00 OMB-01 TRSE-00 FEA-02

EB-11 /083 R

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OSD/I&L:BARTHOLMEW/MR NOLAN

OSD/ISA:CAPT ROBERTSON

OSD/GC:BFORMAN

PM/SPS:MR COONY

L/PM:MR MICHEL

----- 055069

P 222152Z JAN 74

FM SECSTATE WASHDC

TO AMEMBASSY BANGKOK PRIORITY

CINCPAC PRIORITY

INFO COMUSMACTHAI

DSA-DSSC CAMERON STATION

S E C R E T STATE 014087

E.O. 11652: GDS

TAGS: TH, MASS

SUBJECT: PETROLEUM FUEL FOR THAI ARMED FORCES

REF: A. SECDEF 101339Z JAN 74

B. MACTHAI 111000Z JAN 74

C. BANGKOK 709/DTG 140916Z JAN 74

JOINT STATE/DEFENSE MESSAGE

1. AS POINTED OUT IN REF A, FMS SALES OF POL TO RTG CAN  
CONTINUE IF STOCKS ARE REPLENISHED WITH POL NOT PRODUCED IN  
THE CONUS. IN REF B, PARA 12, MACTHAI STATES THAT CONTIN-  
UATION OF FMS CASE DEPENDS ON RECEPTION FROM CINCPAC OF  
TIMELY ADVANCED INFORMATION ON QUANTITIES AND COUNTRY SOURCE  
OF DELIVERIES. CONSENSUS HERE IS THAT CINCPAC CAN PROVIDE  
SUCH INFORMATION.

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2. IN VIEW UNCERTAINTY AVAILABILITY TO USG OF PETROLEUM FROM NON-CONUS SOURCES, SUITABLE ALTERNATIVE TO FMS CASE SHOULD BE ADOPTED AND IMPLEMENTED AS SOON AS POSSIBLE. IN OUR VIEW, ALTERNATIVE WHICH IS MOST SUITABLE IN TERMS OF FEASIBILITY AND LEGAL CONSTRAINTS WOULD BE FOR RTG TO PROCURE AT ITS OWN EXPENSE SUCH AMOUNTS OF AVPOL AS MAY BE NECESSARY TO MEET RTG REQUIREMENTS; FOR THE RTG AVPOL TO BE CO-MINGLED WITH USG AVPOL IN COMMON STORAGE FACILITIES IN ADVANCE OF ISSUE TO RTG, AND TO BE WITHDRAWN FROM STORAGE BY RTG AS NEEDED. AS NOTED IN REF B, PARA 2, THIS ALTERNATIVE

REQUIRES EFFECTIVE IN-PUT AND OUT-PUT METERING PROCEDURES, BUT WE ASSUME THAT OUT-PUT METERING PROCEDURES ARE ALREADY IN BEING IN ORDER TO ADMINISTER FMS CASE. WITH REGARD TO IN-COUNTRY FUEL TRANSPORTATION SYSTEM, WE SEE NO NEED TO DIVIDE THE SYSTEM. SUCH USE OF THE SYSTEM AS MAY BE REQUIRED BY THE RTG COULD BE PROVIDED BY NEW FMS CASE FOR THAT PURPOSE. IF COMMON USE OF (INDIVIDUAL RAIL TANK CARS AND TANK TRUCKS) IS REQUIRED, WE PRESUME THE IN-PUT METERING PROCEDURES COULD BE INITIATED AT THAT POINT IN LIEU OF AT THE STORAGE FACILITIES.

3. IN AS FAR AS CONCERNS INCREASED PROCUREMENT COSTS AND CONSEQUENT ADDITIONAL FINANCIAL SUPPORT PROBLEMS, IT IS OUR UNDERSTANDING THAT COST DIFFERENTIAL TO RTARF DOES NOT ARISE FROM DIFFERENCE IN CONTRACT PRICES QUOTED BY SUPPLIER BUT FROM FACT THAT RTARF WOULD BE SUBJECT TO RTG CUSTOMS AND TAXES. IF SO, THIS IS INTERNAL BOOKKEEPING PROBLEM OF RTG AND NOT A FOREIGN EXCHANGE OF LOCAL CURRENCY SHORTFALL WHICH USG SHOULD BE EXPECTED TO MEET.

4. DEPT AND DOD APPRECIATE POLITICAL PROBLEMS. EMBASSY AND MAITHEI SHOULD INFORM RTG HOWEVER THAT SALES CASE MAY HAVE TO BE TERMINATED PRIOR TO ITS EXPIRATION, DEPENDING ON AVAILABILITY OF NON-CONUS POL. REGRETFUL AS THIS DILEMMA MAY BE TO THE RTG, GIVEN RECENT US LEGISLATION AND THE WORLDWIDE POL CRISIS, WE HAVE NO OPTION BUT TO PROCEED WITH ALTERNATIVE OUTLINED ABOVE OR SUCH OTHER FEASIBLE ALTERNATIVE CONSISTENT WITH US STATUTORY REQUIREMENTS AS SECRET

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MAY BE RECOMMENDED BY EMBASSY WITH RTG CONCURRENCE. KISSINGER

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NNN



## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
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**Copy:** SINGLE  
**Draft Date:** 22 JAN 1974  
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**Disposition Approved on Date:**  
**Disposition Authority:** golinofr  
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**Disposition Date:** 28 MAY 2004  
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**Document Unique ID:** 00  
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**Film Number:** n/a  
**From:** STATE  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
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**Original Handling Restrictions:** n/a  
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**TAGS:** MASS, TH, US  
**To:** BANGKOK CINCPAC  
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